

GRAPE CRUSH REPORT OVERVIEW

Information contained in this Report was supplied by processors to fulfill the reporting requirements of Section 55601.5 of the Food and Agricultural Code.

The Final Grape Crush Report includes all grape tonnage crushed during the 2004 season. Changes in tonnage, Brix, and prices from the preliminary report to this final report were due to late reports, and corrections to the original data. Reporting errors by some processors have caused a change in some district/variety entries.

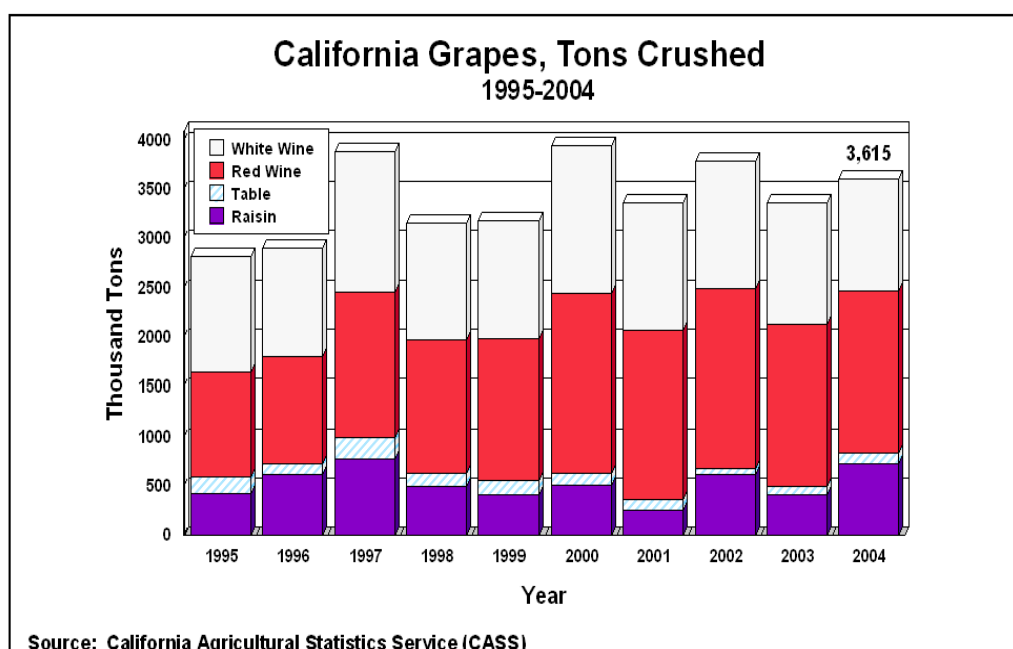
Details of the crushed tonnage, degrees Brix, and weighted average prices were reported by grape type and variety, as well as by grape pricing districts. The 17 districts refer to the area in which the grapes were grown as defined in the Administrative Code. A district map is located on the inside of the front cover.

SUMMARY OF GRAPE TONNAGES AND PRICES

The 2004 crush totaled 3,615,231 tons, up 7 percent from the 2003 crush of 3,370,121 tons. Red wine varieties accounted for the largest share of all grapes crushed, at 1,638,658 tons, virtually unchanged from 2003. The 2004 white wine variety crush totaled 1,136,236 tons, down 8 percent from 2003. Tons crushed of raisin type varieties totaled 726,946, up 72 percent from 2003, while tons crushed of table type varieties totaled 113,391, up 35 percent from 2003. (See chart below.)

Beginning with the 1999 season, the Grape Crush Report includes the total number of tons crushed for concentrate production. In determining grape tonnage crushed for concentrate production, each processor was required to report the estimated equivalent tons of grapes crushed for grape concentrate. For the 2004 season, this total was 658,048 tons, approximately 18 percent of the 2004 grape crush total. This report provides only the aggregate figure for grapes crushed for concentrate production and does not include information by district, type, or variety.

California grape growers received prices in 2004 for raisin, table, and white and red grapes that were, on average, above the 2003 prices. The 2004 average price of all varieties was \$482.26, up 2 percent from 2003. Average prices for the 2004 crop by type were as follows: red wine grapes, \$626.69, up 3 percent from 2003; white wine grapes, \$487.47, up 14 percent from 2003; raisin grapes, \$199.86, up 110 percent; and table grapes, \$198.52, up 117 percent. These price levels have not been adjusted for inflation.



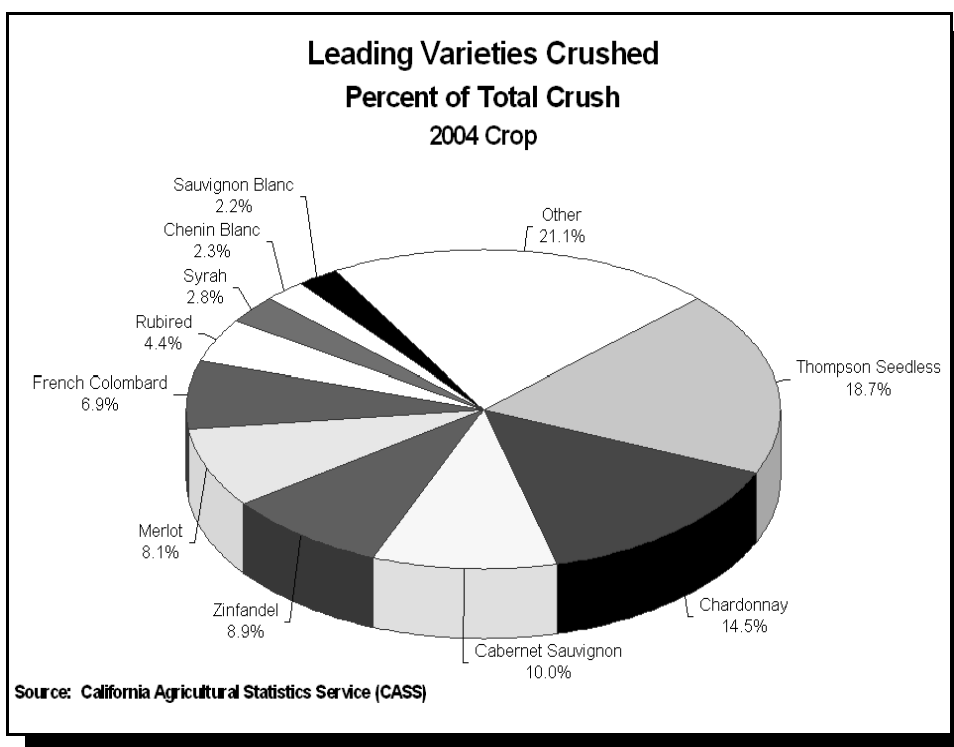
CALIFORNIA GRAPE CRUSH TONNAGE AND PRICE, 1988-2004

Crop Year	Raisin Type		Table Type		Red Wine Type		White Wine Type		All Types	
	Tons (1,000)	Dollars Per Ton	Tons (1,000)	Dollars Per Ton	Tons (1,000)	Dollars Per Ton	Tons (1,000)	Dollars Per Ton	Tons (1,000)	Dollars Per Ton
1988	415	116	312	131	760	409	1,356	238	2,843	253
1989	370	132	211	128	872	410	1,272	297	2,725	297
1990	268	126	170	127	804	355	1,331	277	2,573	276
1991	284	150	157	141	840	383	1,289	319	2,570	310
1992	785	182	217	170	888	438	1,209	364	3,099	325
1993	452	152	137	147	979	430	1,327	316	2,895	323
1994	239	118	123	136	936	462	1,242	317	2,540	344
1995	432	164	170	162	1,052	515	1,175	351	2,829	372
1996	618	191	117	188	1,079	611	1,094	469	2,908	452
1997	786	185	212	169	1,461	656	1,433	546	3,891	497
1998	506	164	135	150	1,333	643	1,194	521	3,169	502
1999	419	200	149	187	1,422	649	1,195	518	3,185	525
2000	513	125	120	118	1,816	628	1,503	500	3,951	504
2001	262	86	101	87	1,706	680	1,300	491	3,368	555
2002	622	76	61	80	1,817	614	1,288	432	3,787	462
2003	422	95	84	91	1,634	609	1,230	429	3,370	471
2004	727	200	113	199	1,639	627	1,136	487	3,615	482

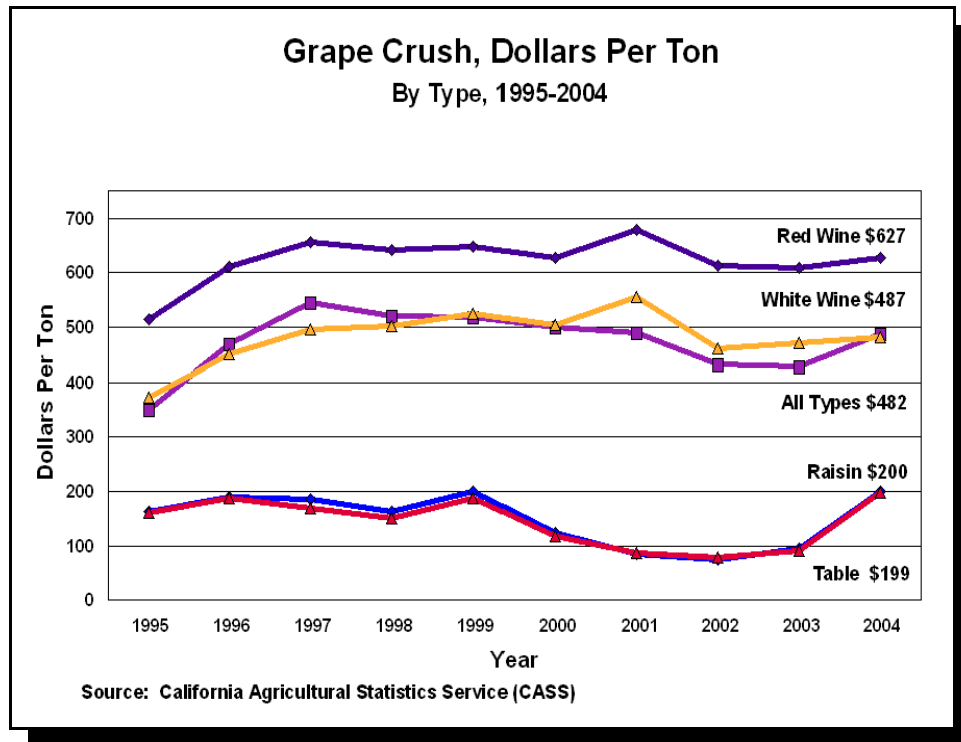
Source: California Agricultural Statistics Service (CASS)

LEADING GRAPE VARIETIES AND DISTRICTS

In 2004, Thompson Seedless accounted for the largest percentage of crush volume with 19 percent. Chardonnay accounted for the second leading percentage of crush with 15 percent of the total crush. The next eight highest percentages of grapes crushed were all wine varieties.



Grapes produced in District 4 (Napa County) received the highest average price of \$2,935.77 per ton, down 4 percent from 2003. District 3 (Sonoma and Marin counties) received the second highest return of \$1,869.14, down 4 percent from 2003. The 2004 Chardonnay price of \$693.77 was up 4 percent from 2003, while the 2004 Cabernet Sauvignon price of \$977.71 was down 3 percent from 2003. The 2004 average price for Merlot was \$799.34, virtually unchanged from 2003, while the Zinfandel average price of \$473.47 was up 11 percent from 2003.



EXPLANATION OF TABLES

TABLE 1 is a summary of the 2004 crop State totals by grape type and varieties that are shown in detail by grape pricing districts in Tables 2 through 6. State totals and averages for 2003 are shown for comparison.

TABLE 2 includes over-the-scale fresh tonnage of all grapes crushed by California processors from the 2004 crop. Over-the-scale fresh weight tonnage includes materials other than grapes (MOG) and defects. This table is broken down by the 17 grape pricing districts and by variety. State totals for 2003 are shown for comparison. Crushed tonnage includes all grapes crushed whether: grown and crushed by processors; purchased and crushed by processors; crushed by cooperatives, juice manufacturers, etc.; or crushed for others, including growers.

TABLE 3 shows the weighted average degrees Brix for all grapes crushed (TABLE 2) by California processors from the 2004 crop. The weighted average degrees Brix is reported by grape pricing districts and variety. State averages for 2003 are shown for comparison.

TABLE 4 includes net weight fresh tonnage of all grapes purchased for wine, concentrate, juice, vinegar, and beverage brandy by California processors from the 2004 crop. Net weight fresh tonnage does not include material other than grapes (MOG) and defects or other weight adjustments deducted from gross weight. The purchased tonnage is reported by variety and grape pricing districts. State totals for 2003 are shown for comparison. TABLE 4 does not include tonnage purchased as distilling material other than beverage brandy, this is shown in TABLE 7. Prices for all tonnage shown in this table are final and not subject to change. Grapes pooled by cooperatives, those grown by processors and used for their own production and grapes crushed to growers' accounts are not included.

TABLE 5 shows the weighted average degrees Brix for all grapes purchased for wine, concentrate, juice, vinegar, and beverage brandy (TABLE 4) by California processors from the 2004 crop. The weighted average degrees Brix is reported by grape pricing districts and variety. State averages for 2003 are shown for comparison. TABLE 5 does not include degrees Brix of tonnage purchased as distilling material other than beverage brandy, this is shown in TABLE 7. Grapes pooled by cooperatives, those grown by processors and used for their own production and grapes crushed to growers' accounts are not included.

TABLE 6 gives the weighted average price per ton, delivered basis, of all tonnage purchased for wine, concentrate, juice, vinegar, and beverage brandy (TABLE 4) by California processors from the 2004 crop. The weighted average prices are reported by variety, and grape pricing districts. State averages for 2003 are shown for comparison. TABLE 6 does not include prices of tonnage purchased as distilling material other than beverage brandy, this is shown in TABLE 7. Prices shown in this table are final and not subject to change. Grapes pooled by cooperatives, those grown by processors and used for their own production and grapes crushed to growers' accounts are not included.

Weighted average prices reflect final prices through January 10, 2005 and include any Brix adjustments, bonuses or allowances. Prices are equivalent to delivered basis in the area grown including normal within-area hauling allowances. Purchases made on a roadside basis include the usual hauling allowance for local delivery in the area grown. Out-of-area purchases made on a delivered basis do not include extra hauling allowances for delivery outside the area.

The following example indicates the method used for calculating weighted averages:

DATA PAGE																				
IDENTIFICATION				SECTION I.			SECTION II.													
				Total Grapes Crushed At Your Facility			Final Prices Of Grapes Purchased From Grower(s) For Wine, Concentrate, Juice, Vinegar And Beverage Brandy													
VARIETY (List full name)	* Dist. Where Grown	Code	Line	Over The Scale Tons	Wtd. Avg. Degrees Brix	Total Brix (Col. 3 X Col. 4)	Purchased Tons Only		Wtd. Avg. Degrees Brix	Total Brix (Col. 5 X Col. 7)	Base Price Per Ton	Acceptable Brix Limits		Brix Adjustment Factors Per Degrees Brix Per Ton Plus & Minus	Office Use	Brix Adjustment Limits			Wtd. Avg. Price Per Ton	Total Paid (Col. 5 x Col. 16)
							All Purchased Tons	Non-Related Purchased Tons				Min.	Max.			Base	Min.	Max.		
		1	2	3	4	A	5	6	7	B	8	9	10	11	12	13	14	15	16	C
Petite Sirah	1			155.5	20.6	3,203.3	100.0	100.0	20.1	2,010.0	450.0	19.0	25.0	+ or - 10%		22.0	20.0	24.0	364.50	36,450.00
Petite Sirah	1			20.5	19.0	389.5	20.5	20.5	19.0	389.5	450.0	19.0	25.0	+ or - 10%		22.0	20.0	24.0	418.50	8,579.25
Petite Sirah	1			10.6	23.5	249.1	10.6	10.6	23.5	249.1	450.0	19.0	25.0	+ or - 10%		22.0	20.0	24.0	517.50	5,485.50
Combined	1			186.6	20.6	3,841.9	131.1	131.1	20.2	2,648.6	450.0	19.0	25.0	+ or - 10%		22.0	20.0	24.0	385.31	50,514.75

Column 4 was obtained by dividing the total Over the Scale Tons (Column 3) into the Total Brix of these same tons (Column A):

$$\frac{3,841.9}{186.6} = 20.6$$

Column 7 was obtained by dividing the Purchased Tons Only (Column 5) into the Total Brix of these same tons (Column B):

$$\frac{2,648.6}{131.1} = 20.2$$

Column 16 was obtained by dividing the total Purchased Tons Only (Column 5) into the total dollars paid for these same tons (Column C):

$$\frac{\$50,514.75}{131.1} = \$385.31$$

TABLE 7 shows all grape tonnage purchased as distilling material other than beverage brandy by California processors from the 2004 crop. The tonnage, weighted average degrees Brix and price per ton are shown by grape type and variety. State totals and averages for 2003 are given for comparison.

TABLE 8 shows base prices paid to growers by Brix adjustment factors, purchased tonnage, type, variety and reporting district where grown. Weighted average base prices and total purchased tonnage are included.

The Brix adjustment factors determine adjustments to base prices to compensate for sugar variations. In this report, adjustments are expressed in dollars per ton, or percent of base price per degree variance from the established Brix base. Occasional lots are traded on price per degree Brix as delivered.

TABLE 9 includes tonnage of all grapes crushed to growers' accounts by California processors from the 2004 crop. Growers retained ownership of these grapes at the time of crushing. This tonnage is reported by grape pricing district and variety. Comparisons with 2003 are shown. **(Table 9 only appears in the Final Grape Crush Report.)**

TABLE 10 gives the weighted average price per ton, delivered basis, of all tonnage purchased from non-related sources for wine, concentrate, juice, vinegar, and beverage brandy (TABLE 4) by California processors from the 2004 crop. The weighted average prices are reported by variety, and grape pricing districts. State averages for 2003 are shown for comparison. TABLE 10 does not include prices of tonnage purchased as distilling material other than beverage brandy, this is shown in TABLE 7. Prices shown in this table are final and not subject to change. Grapes pooled by cooperatives, those grown by processors and used for their own production and grapes crushed to growers' accounts are not included.

Non-Related Purchased Tons: Excludes tonnage of grapes purchased from a grower if:

- The grower or an affiliate of the grower, or both the grower and the affiliate of the grower, owned, directly or indirectly, at least 5 percent of the indicia of ownership or voting authority of the winery (processor);
- The winery (processor) or an affiliate of the winery, or both the winery and the affiliate of the winery, owned, directly or indirectly, at least 5 percent of the indicia of ownership or voting authority of the grower;
- The winery (processor) or an affiliate of the winery, or both the winery and the affiliate of the winery, provided long-term financing to the grower in exchange for rights or options to purchase a significant portion of the grower's harvest.

Synonyms for Grape Variety Names (First synonym listed was used for this publication.)		
Alicante Bouschet * – Alicante	Malvasia Bianca * – Vennentino, Vermintino	Red Globe * – Rose Ito
Beauty Seedless * – Black Beauty	Marechal Foch * – Foch	Refosco * – Mondeuse
Black Prince * – Rose of Peru	Mataro * – Mourvedre	Rubired * – Tintoria
Blaufraenkisch * – Lemberger	Meunier * – Pinot Meunier	Ruby Seedless * – King Ruby
Burger * – Monbadon	Moscato Gaillo * – Muscat Yellow	Sangiovese * – Sangioveseto, Brunello
Chardonnay * – Pinot Chardonnay	Muscat Blanc * – Muscat Canelli,	Sauvignon Vert * – Muscadelle
Cinsaut * – Black Malvoisie, Black Malvasia	Muscat Blanc A Petits Grains	St. Emilion * – Ugni Blanc, Trebbiano
Emerald Seedless * – Black Seedless	Muscat Hamburg * – Black Muscat	Syrah * – French Syrah, Shiraz, Syrah Noir
Flame Seedless * – Red Flame	Negrette * – Pinot St. George	Tempranillo * – Tinta Roriz, Valdepenas
Gamay (Napa) * – Gamay, Valdiguié	Nero D'Avola * – Calabrese	Touriga Nacional * – Touriga
Gray Riesling * – Trousseau Gris	Palomino * – Golden Chasselas	Trousseau * – Bastardo
Grenache * – Grenache Noir	Pinot Gris * – Pinot Grigio	White Riesling * – Johannisberg Riesling,
Italia * – Muscat Italia	Princess * – Melissa	Riesling
Malaga * – White Malaga	Red Crimson * – Crimson Seedless	